

S.R. 471 - By Doggett: Extending welcome to Reverend William Grady Roe.

S.R. 472 - By Longoria: Extending congratulations to Lena Guerrero.

S.R. 473 - By Traeger: Extending congratulations to German Singing Society, Lied Hoch, Glueckstadt and proclaiming May 8, 1979, as German-Texas Friendship Day.

S.R. 474 - By Vale: Extending congratulations to Pedro and Eloisa Soriano.

ADJOURNMENT

On motion of Senator Moore the Senate at 12:31 o'clock p.m. adjourned until 10:30 o'clock a.m. tomorrow.

APPENDIX

Sent to Governor

(April 24, 1979)

S.B. 606

Signed by Governor

(April 20, 1979)

S.C.R. 21

S.C.R. 72

H.C.R. 123

FIFTY-EIGHTH DAY

(Wednesday, April 25, 1979)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present: Andujar, Blake, Bracklein, Brooks, Clower, Creighton, Doggett, Farabee, Harris, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Mauzy, Meier, Mengden, Moore, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent-excused: McKnight.

A quorum was announced present.

The Reverend Bert Bronaugh, Presbyterian Church, Burnet, Texas, offered the invocation as follows:

Our Father in Heaven - Holy is Your Name. Stand beside these people whom we have elected to represent our needs. Move them to accomplish much that will stand among all honest and sincere people for generations to come. Give them the courage of honor, of truthfulness, and of wisdom. Grant and allow them each, and all, to know and feel the prayers of support and encouragement which the people of the State of Texas are giving to You now on their behalf. We thank You for placing within the hearts of these ones the desire to serve in this office of duty and responsibility. In the name of Your Son, our Lord and Saviour Jesus Christ, I offer You this prayer. Amen.

On motion of Senator Moore and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

LEAVE OF ABSENCE

Senator McKnight was granted leave of absence for today on account of important business on motion of Senator Schwartz.

MESSAGE FROM THE HOUSE

House Chamber
April 25, 1979

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

H.C.R. 173 Proclaiming April 27, through 29, as "Fiddlers" weekend in Texas

HCR 116, Designating the first week of May as Motorcycle Safety Week for the State of Texas.

HCR 131, Recognizing the contributions of the Czech people to the State of Texas.

HB 558, A bill to be entitled An Act appropriating money for the support of the Judicial, Executive, and Legislative Branches of the State Government, for the construction of state buildings, and for state aid to public junior colleges, for the period beginning September 1, 1979, and ending August 31, 1981; authorizing and prescribing conditions, limitations, rules and procedures for allocating and expending the appropriated funds; and declaring an emergency. (Passed subject to Sec. 49A, Art. 3, Constitution of Texas)

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

REPORTS OF STANDING COMMITTEES

Senator Snelson submitted the following report for the Committee on Intergovernmental Relations:

S.B. 1138
H.B. 1692
S.B. 1229
H.B. 1004
S.B. 1242
S.B. 773
H.B. 1781
S.B. 1166
S.B. 1246
H.B. 987
S.B. 630

Senator Howard, Vice-Chairman, submitted the following report for the Committee on Administration:

S.C.R. 75

Senator Brooks submitted the following report for the Committee on Human Resources:

S.B. 467 (Amended)
H.B. 1737
S.B. 753
C.S.S.B. 884 (Read first time)
C.S.S.B. 1084 (Read first time)

Senator Moore submitted the following report for the Committee on State Affairs:

S.B. 763 (Amended)
H.B. 1444
S.B. 1097 (Amended)

Senator Farabee submitted the following report for the Committee on Jurisprudence:

H.B. 226
H.B. 244
H.B. 540 (Amended)
H.B. 967
H.B. 994
H.B. 1436
H.B. 1521
H.B. 1917
S.B. 272 (Amended)
S.B. 451
S.B. 847
S.B. 849
S.B. 851
S.B. 852
S.B. 854

S.B. 855
S.B. 856
S.B. 861
S.B. 1060 (Amended)
S.B. 1142
S.B. 1231
C.S.S.B. 597 (Read first time)
C.S.S.B. 846 (Read first time)

SENATE BILLS AND RESOLUTION ON FIRST READING

On motion of Senator Mengden and by unanimous consent, the following bills and resolution were introduced, read first time and referred to the Committee indicated:

S.B. 1267 by Jones of Harris, Intergovernmental Relations
Ogg, Brooks
Relating to creation of the 275th, 276th, 277th, 278th, and 331st Judicial Districts, each composed of Harris County.

S.B. 1268 by Truan Intergovernmental Relations
Relating to the tax rate of the Willacy County Hospital District.

S.B. 1269 by Truan Human Resources
Relating to a Foster Grandparent Program administered by the Governor's Committee on Aging.

S.B. 1270 by Clower State Affairs
Relating to the authority of a beer manufacturer to sell beer to its employees.

S.B. 1271 by Snelson Intergovernmental Relations
Relating to compensation of the director and deputy director of the Office of State-Federal Relations.

S.B. 1272 by McKnight Intergovernmental Relations
Relating to the type of cases in the 241st District Court.

S.B. 1273 by Mengden Intergovernmental Relations
Relating to the authority of certain cities to annex a municipal utility district.

S.B. 1275 by Howard Economic Development
Providing for the creation and administration of development corporations to carry out certain public purposes of cities, counties and certain other political subdivisions relating to the promotion and development of commercial, industrial, manufacturing, medical, and research enterprises to promote and encourage employment, public health and the public welfare; authorizing such development corporations to acquire certain properties and to lease, sell, or convey said properties, and to make loans, for the promotion and development of commercial, industrial, manufacturing, medical and research enterprises; authorizing such cities, counties and other political subdivisions to utilize a development corporation to issue obligations on its behalf to accomplish one or more public purposes of the unit; authorizing such development corporations to issue bonds on behalf of the sponsoring cities, counties and other political subdivisions in order to carry out certain specified public purposes; containing other provisions relating to the subject; containing a severability clause; and declaring an emergency.

S.R. 485 by Mengden State Affairs
Directing the Senate Committee on State Affairs to study cults in Texas.

HOUSE BILL ON FIRST READING

The following bill received from the House was read the first time and referred to the Committee indicated:

H.B. 558, To Committee on Finance.

SENATE RESOLUTION 487

Senator Truan offered the following resolution:

S.R. 487, In memory of Mrs. Birch (Marvella) Bayh.

TRUAN
MAUZY

The resolution was read and was adopted by a rising vote of the Senate.

COMMITTEE SUBSTITUTE SENATE BILL 979 ON SECOND READING

The Senate resumed consideration of **C.S.S.B. 979** on its second reading and passage to engrossment (The bill having been read second time and amended on Tuesday, April 24, 1979, and consideration having been postponed until 11:00 o'clock a.m. today).

C.S.S.B. 979, Relating to the financing of certain credit transactions; changing penalties.

Question - Shall **C.S.S.B. 979** as amended be passed to engrossment?

CONSIDERATION OF COMMITTEE SUBSTITUTE SENATE BILL 979 POSTPONED

On motion of Senator Jones of Taylor and by unanimous consent, consideration of **C.S.S.B. 979** was postponed until 11:30 o'clock a.m. today.

Question - Shall **C.S.S.B. 979** as amended be passed to engrossment?

HOUSE BILL 291 ON SECOND READING

Senator Jones of Harris moved to suspend the regular order of business to take up for consideration at this time:

H.B. 291, A bill to be entitled An Act relating to insurance coverage for services of certain doctors of chiropractic medicine; amending Sections 1 and 3, Article 21.52, Insurance Code.

The motion prevailed by the following vote: Yeas 20, Nays 9, Paired Vote 1.

Yeas: Brooks, Clower, Doggett, Farabee, Harris, Howard, Jones of Harris, Kothmann, Longoria, Mauzy, Ogg, Parker, Price, Santiesteban, Schwartz, Short, Traeger, Truan, Vale, Williams.

Nays: Andujar, Blake, Braecklein, Jones of Taylor, Meier, Mengden, Moore, Patman, Snelson.

Absent-excused: McKnight.

PAIRED VOTE

Senator Creighton (present), who would vote "Nay", with Senator McKnight (absent), who would vote "Yea".

The bill was read second time.

Senator Jones of Harris offered the following amendment to the bill:

Amend Section 3 in SECTION 1 of **H.B. 291** by deleting the last sentence of Section 3 in its entirety and substituting the following in its place:

"Any presently approved policy form containing any provision in conflict with the requirements of this Act shall be brought into compliance with this Act by the use of riders and endorsements which have been approved by the State Board of Insurance or by the filing of new or revised policy forms for approval by the State Board of Insurance."

The amendment was read and was adopted.

Senator Jones of Taylor offered the following amendment to the bill:

Amend **H.B. 291** by adding a new Section 2 and renumbering the balance of said section accordingly. Said new section to read as follows:

Section 2. Acts, 1977, 65th Legislature, p. 1102, ch. 404, Sec. 1 as amended (Article 21.52 of the Insurance Code) is amended to add a new Section 5 to read as follows:

Section 5. Applicability to Services of Doctor of Chiropractic. The provisions of this Article which relate to services of Doctor of Chiropractic shall be applicable to a health insurance policy only with respect to treatment by means of manual manipulation of the spine (to correct a subluxation demonstrated by X-ray to exist) and not with respect to any other services, including radiological services, rendered by a Doctor of Chiropractic.

The amendment was read.

On motion of Senator Jones of Harris the amendment was tabled by the following vote: Yeas 15, Nays 14, Paired Vote 1.

Yeas: Brooks, Clower, Doggett, Howard, Jones of Harris, Kothmann, Longoria, Mauzy, Meier, Parker, Santiesteban, Schwartz, Truan, Vale, Williams.

Nays: Andujar, Blake, Braecklein, Farabee, Harris, Jones of Taylor, Mengden, Moore, Ogg, Patman, Price, Short, Snelson, Traeger.

Absent-excused: McKnight.

PAIRED VOTE

Senator Creighton (present), who would vote "Nay", with Senator McKnight (absent), who would vote "Yea".

On motion of Senator Jones of Harris and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was then passed to third reading by the following vote: Yeas 16, Nays 13, Paired Vote 1.

Yeas: Brooks, Clower, Doggett, Howard, Jones of Harris, Kothmann, Longoria, Mauzy, Ogg, Parker, Santiesteban, Short, Traeger, Truan, Vale, Williams.

Nays: Andujar, Blake, Braecklein, Farabee, Harris, Jones of Taylor, Meier, Mengden, Moore, Patman, Price, Schwartz, Snelson.

Absent-excused: McKnight.

PAIRED VOTE

Senator Creighton (present), who would vote "Nay", with Senator McKnight (absent), who would vote "Yea".

HOUSE BILL 396 ON SECOND READING

Senator Andujar asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 396, Relating to an election in Tarrant County to consolidate the offices of county auditor and county treasurer.

There was objection.

Senator Andujar then moved to suspend the regular order of business and take up **H.B. 396** for consideration at this time.

The motion prevailed by the following vote: Yeas 23, Nays 6, Present-Not Voting 1.

Yeas: Andujar, Blake, Braecklein, Brooks, Clower, Doggett, Farabee, Harris, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Mauzy, Meier, Mengden, Parker, Price, Santiesteban, Schwartz, Traeger, Truan, Vale.

Nays: Creighton, Moore, Ogg, Patman, Short, Williams.

Present-Not voting: Snelson.

Absent-excused: McKnight.

The bill was read second time.

Senator Andujar offered the following committee amendment to the bill:

Amend HB 396 on page 1, line 6, by striking the words, "August 11, 1979" and substituting therefor "November 6, 1979".

The committee amendment was read and was adopted.

On motion of Senator Andujar and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill was amended was passed to third reading.

RECORD OF VOTE

Senator Farabee asked to be recorded as voting "Nay" on the passage of the bill to third reading.

MOTION TO PLACE HOUSE BILL 396 ON THIRD READING

Senator Andujar moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 396** be placed on its third reading and final passage.

The motion was lost by the following vote (Not receiving four-fifths vote of the Members of the Senate present): Yeas 23, Nays 6, Present-Not Voting 1.

Yeas: Andujar, Blake, Braecklein, Brooks, Clower, Doggett, Farabee, Harris, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Mauzy, Meier, Mengden, Parker, Price, Santicsteban, Schwartz, Traeger, Truan, Vale.

Nays: Creighton, Moore, Ogg, Patman, Short, Williams.

Present-Not voting: Snelson.

Absent-excused: McKnight.

(Senator Schwartz in Chair)

HOUSE BILL 853 ON SECOND READING

On motion of Senator Howard and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 853, A bill to be entitled An Act relating to the establishment of a cancer registry and the reporting of data from the records of certain patients.

The bill was read second time and was passed to third reading.

HOUSE BILL 853 ON THIRD READING

Senator Howard moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 853** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: McKnight.

The bill was read third time and was passed.

HOUSE BILL 548 ON SECOND READING

On motion of Senator Braecklein and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 548, A bill to be entitled An Act relating to health services for persons with cystic fibrosis.

The bill was read second time and was passed to third reading.

HOUSE BILL 548 ON THIRD READING

Senator Braecklein moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 548** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: McKnight.

(President in Chair)

The bill was read third time and was passed.

HOUSE BILL 1099 ON SECOND READING

Senator Snelson asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 1099, A bill to be entitled An Act relating to the exclusion of implied warranties applicable to the sale or barter of certain livestock.

There was objection.

Senator Snelson then moved to suspend the regular order of business and take up **H.B. 1099** for consideration at this time.

The motion prevailed by the following vote: Yeas 26, Nays 2.

Yeas: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Farabee, Harris, Howard, Jones of Taylor, Kothmann, Longoria, Meier, Mengden, Moore, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Vale, Williams.

Nays: Doggett, Mauzy.

Absent: Jones of Harris, Short.

Absent-excused: McKnight.

The bill was read second time and was passed to third reading.

RECORD OF VOTES

Senators Mauzy and Doggett asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1099 ON THIRD READING

Senator Snelson moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1099** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 2.

Yeas: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Farabee, Harris, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Meier, Mengden, Moore, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Nays: Doggett, Mauzy.

Absent-excused: McKnight.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 2. (Same as previous roll call)

**MOTION TO PLACE
COMMITTEE SUBSTITUTE HOUSE BILL 1732
ON SECOND READING**

Senator Blake moved to suspend the regular order of business to take up for consideration at this time:

C.S.H.B. 1732, Relating to the abolition of county salary grievance committees.

The motion was lost by the following vote (Not receiving two-thirds vote of the Members of the Senate present): Yeas 18, Nays 12.

Yeas: Andujar, Blake, Creighton, Doggett, Harris, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Meier, Mengden, Moore, Patman, Price, Schwartz, Traeger, Truan, Vale.

Nays: Braecklein, Brooks, Clower, Farabee, Howard, Mauzy, Ogg, Parker, Santiesteban, Short, Snelson, Williams.

Absent-excused: McKnight.

NOTICE OF CONSIDERATION OF NOMINATIONS

Senator Andujar gave notice that she would tomorrow submit to the Senate for consideration nominations to agencies, boards and commissions of the State.

MOTION TO SUSPEND SENATE RULE 103

Senator Creighton moved that Senate Rule 103 be suspended in order that the Committee on Economic Development might consider the following bills at 9:00 o'clock a.m. tomorrow:

H.B. 7
H.B. 532
H.B. 1088

On motion of Senator Creighton and by unanimous consent, the motion to suspend Senate Rule 103 was withdrawn.

MESSAGE FROM THE HOUSE

House Chamber
April 25, 1979

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

H.C.R. 176 Requesting return of **S.B. 293** from the governor to the house for further consideration

S.B. 315 Relating to inspection of milk and milk products. (With amendment)

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

HOUSE BILL 1424 ON SECOND READING

On motion of Senator Jones of Taylor and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1424, A bill to be entitled An Act relating to the control and regulation of exploration for and surface mining of coal and the reclamation of the mined area; providing penalties.

The bill was read second time.

(Senator Jones of Harris in Chair)

Senator Clower offered the following amendment to the bill:

Amend House Bill 1424 by striking Subsection (15), Section 3 of the bill and substituting in lieu thereof the following:

(15) "Prime farmland" has the same meaning as that previously prescribed by the Secretary of Agriculture on the basis of such factors as moisture availability, temperature regime, chemical balance, permeability, without regard to annual mean soil temperatures, surface layer composition, susceptibility to flooding, and erosion characteristics and that historically has been used for intensive agricultural purposes or that has the potential for intensive agricultural purposes and as published in the Federal Register.

The amendment was read.

Question - Shall the amendment be adopted?

HOUSE CONCURRENT RESOLUTION 176

The President laid before the Senate the following resolution:

H.C.R. 176, Recalling **S.B. 293** from the Governor.

The resolution was read.

On motion of Senator Farabee and by unanimous consent, the resolution was considered immediately and was adopted.

PRESENTATION OF GUESTS

The President recognized Senator Schwartz who presented to the Members of the Senate Baron and Baroness diPortonova.

MOTION RELATIVE TO LOCAL AND UNCONTESTED BILLS CALENDAR

Senator Howard made the following motion:

I move that the bills and resolutions listed on the Local and Uncontested Calendar be set as Special Order for 8:30 o'clock a.m. Thursday morning and considered in the order listed, with the understanding that a bill or resolution removed from the Calendar will not be considered. I further move that the Three-Day Rule be suspended with respect to bills on the Local and Uncontested Calendar that are engrossed on Thursday morning.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: McKnight.

MEMORIAL RESOLUTIONS

S.R. 479 - By Farabee: Memorial resolution for Charlton A. (Dub) Deuschle.

S.R. 480 - By Doggett: Memorial resolution for Professor Emeritus James Hemenway Morton.

WELCOME AND CONGRATULTORY RESOLUTIONS

H.C.R. 173 - (Patman): Proclaiming April 27 - 29 as "Fiddlers Weekend" in Texas.

S.R. 481 - By Doggett: Extending welcome to Bryan Sokoff.

S.R. 482 - By Doggett: Extending welcome to John Gil.

S.R. 483 - By Truan: Extending congratulations to San Patricio County.

S.R. 484 - By Doggett: Extending welcome to Reverend Bert Bronaugh.

S.R. 486 - By Clower: Extending congratulations to Judge Clarence Ferguson.

S.R. 496 - By Schwartz: Extending welcome to Baron Paolo diPortonova and Baroness Rita diPortonova.

RECESS

On motion of Senator Schwartz the Senate at 12:24 o'clock p.m. took recess until 8:30 o'clock a.m. tomorrow.

FIFTY-EIGHTH DAY

(Continued)

(Thursday, April 26, 1979)

AFTER RECESS

The Senate met at 8:30 o'clock a.m. and was called to order by Senator Jones of Harris.

LOCAL AND UNCONTESTED BILLS CALENDAR

The Presiding Officer (Senator Jones of Harris in Chair) announced that the time had arrived for the consideration of the Local and Uncontested Bills Calendar in accordance with the provisions of **S.R. 16**. (Bills having been set as Special Order and Constitutional Three-Day Rule suspended by vote of 30-0 on April 25, 1979.)

The following bills were laid before the Senate, read second time, amended (where applicable), passed to engrossment, read third time and passed. (Sponsor and vote on final passage indicated after caption of each bill. When amended, vote on final passage follows the amendment.)

S.B. 53 (Mengden) Relating to apprehension of members of the Texas National Guard who fail to report for official functions. (30-0)

S.B. 55 (Mengden) Relating to the accountability of members of the Texas National Guard for certain property. (30-0)

S.B. 210 (Mauzy) Relating to the appointment of members of the Board of Managers of the Dallas County Hospital District. (30-0)

C.S.S.B. 434 (Farabee) Relating to the furnishing of the records of a hospital, physician or chiropractor pertaining to treatment for which workers' compensation is being sought. (30-0)

C.S.S.B. 479 (Mengden) Authorizing county and municipal law enforcement officers to assist other counties and municipalities under certain circumstances. (30-0)

S.B. 615 (Meier) Relating to mileage expenses paid to county auditors. (30-0)

S.B. 865 (Schwartz) Relating to withdrawal of a city from a rapid transit authority.

Senator Schwartz offered the following amendment to the bill:

Amend S.B. No. 865 by striking everything below the enacting clause and substituting the following:

SECTION 1. Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), is amended by adding Section 6D to read as follows:

Sec. 6D. WITHDRAWAL FROM AN AUTHORITY. (a) The governing body of an incorporated city or town that is included within the territory of an authority and that has a population more than 90 percent of which resides outside the county in which the majority of the population of the principal city resides may hold an election on the question of whether the city or town shall withdraw from the authority. If a majority of the qualified voters in the city or town voting on the question votes to withdraw from the authority, the governing body shall certify the results of the election to the board of the authority, and the city or town shall withdraw from the authority.

(b) The board shall enter the results on its minutes and adopt an order declaring the withdrawal of the city or town. A certified copy of the order shall be filed with the State Department of Highways and Public Transportation or its successor and the Comptroller of Public Accounts and in the deed records of each county in which the authority is located. The order shall reflect the date of the election, the proposition voted on, the total number of votes cast for and against the proposition in each election unit, the number of votes by which the proposition was approved in each election unit, and shall be accompanied by a map of the authority clearly showing the boundaries of the authority.

(c) Upon actual receipt of the Comptroller of Public Accounts of notification of the withdrawal of a city or town, there shall elapse one whole calendar quarter prior to the withdrawal becoming effective. Thereafter, the withdrawal shall be effective beginning on the first day of the next calendar quarter following the elapsed calendar quarter.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read and was adopted.

On motion of Senator Schwartz and by unanimous consent, the caption was amended to conform to the body of the bill as amended. (30-0)

C.S.S.B. 867 (Farabee) Relating to providing patient services for individuals entitled to care in authorized programs of the Texas Department of Health. (30-0)

C.S.S.B. 868 (Farabee) Relating to the diagnosis and care of persons having tuberculosis. (30-0)

S.B. 956 (Truan) Relating to actions performed by physicians' assistants. (vv)

C.S.S.B. 1095 (Clower) Relating to submetering of natural gas in mobile home parks. (30-0)

S.B. 1102 (Schwartz) Relating to development of land in Galveston County. (30-0)

S.B. 1103 (Schwartz) Relating to a building code for Galveston County. (30-0)

S.B. 1105 (Longoria) Relating to establishment of a foreign trade zone in Cameron County. (vv)

C.S.S.B. 1129 (Schwartz) Relating to jurisdiction of county courts at law of Brazoria County over certain cases. (vv)

S.B. 1131 (Schwartz) Relating to the operation of the Texas Conservation Foundation. (30-0)

S.B. 1162 (Creighton) Relating to creation of the Itasca Municipal Water District. (30-0)

C.S.S.B. 1198 (Schwartz) Relating to juvenile jurisdiction of Galveston County courts and the juvenile board in Galveston County. (30-0)

S.B. 1225 (Snelson) Relating to the Reagan County Water Supply District.

Senator Snelson offered the following amendment to the bill:

Amend Senate Bill No. 1225 by striking everything above the enacting clause and substituting in lieu thereof the following:

A BILL TO BE ENTITLED

AN ACT

relating to the powers, duties, operations, financing, and expansion of the Reagan County Water Supply District and to authority of public agencies and political subdivisions to contract with the district; amending Chapter 505, Acts of the 54th Legislature, Regular Session, 1955 (Article 8280-181, Vernon's Texas Civil Statutes).

The amendment was read and was adopted.

Senator Snelson offered the following amendment to the bill:

Amend Senate Bill Number 1225 by striking everything below the enacting clause and substituting in lieu thereof the following:

SECTION 1. Chapter 505, Acts of the 54th Legislature, Regular Session, 1955 (Article 8280-181, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 1. Under and pursuant to the provisions of Section 59, Article 16, of the Constitution, a conservation and reclamation district is hereby created and incorporated in Reagan County, Texas, to be known as "Reagan County Water Supply District," hereinafter sometimes referred to as the "District," and such

District shall include all of the area of Reagan County, Texas, and the boundaries of said District shall be identical with the boundaries of said County.

Sec. 2. It is determined and found that all of the land and other property included within the area and boundaries of the District will be benefited by the works and projects which are to be accomplished by the District, pursuant to powers conferred by the provisions of Section 59, Article 16, of the Texas Constitution, and that such District is created to serve a public use and benefit, and that such District shall be a governmental agency and a body politic and corporate. ~~[The District shall have and exercise, and is hereby vested with all of the rights, powers, privileges and duties conferred and imposed by the general laws of this State now in force or hereafter enacted, applicable to water control and improvement districts created under authority of Section 59, Article 16, of the Constitution, but to the extent that the provisions of any such general laws may be in conflict or inconsistent with the provisions of this Act, the provisions of this Act shall prevail. All such General laws are hereby incorporated by reference with the same effect as if incorporated in full in this Act. Provided, that the District shall not be empowered to exercise the power of eminent domain outside the boundaries of the District, except for the condemnation of easements and right of ways for ditches or pipelines for the transportation of water.]~~

Sec. 3. The management and control of the District is hereby vested in a board of directors which shall have all of the powers and authority conferred and imposed upon boards of directors of water control and improvement districts organized under the provisions of Chapter 25, Acts of the Thirty-ninth Legislature passed in 1925, and amendments thereto, as incorporated in Title 128, Chapter 3A, of Vernon's Civil Statutes of the State of Texas, and amendments thereto. The board of directors shall be composed of five (5) members. No person shall be appointed a director unless he resides in and owns taxable property in the District, and who has duly rendered the same for taxation. All directors shall subscribe to the Constitutional Oath of Office and give bond in the amount of Five Thousand Dollars (\$5,000). No member of a governing body of any city or town, and no employee of a city or town, and no member of the governing body of the county in which the District is situated, and no employee of the county in which the District is situated, shall be a director. In the event and to the extent that any of the provisions of the general laws referred to in this Section are in conflict with or inconsistent with any of the provisions of this Act relating to the appointment, powers, authority and duties of the board of directors and its members, the provisions of this Act shall prevail. The board of directors shall be appointed by a Citizens Committee. The Citizens Committee shall consist of three (3) members appointed as follows: one (1) to be appointed by the Commissioners Court of Reagan County, Texas, one (1) to be appointed by the City Council of the City of Big Lake, Texas, and the third member to be appointed by the two (2) members so appointed by the Commissioners Court of Reagan County and the City Council of the City of Big Lake. Any vacancy on the Citizens Committee shall be filled by the entity that he represents, or, if it be the committeeman appointed by the two (2) entities, then the existing committeemen shall appoint the third member as provided for in the original committee.

The first Citizens Committee shall be appointed as follows: The Commissioners Court of Reagan County, Texas, and the City Council of the City of Big Lake, Texas, shall appoint its respective committeeman to the Citizens Committee within ten (10) days from the effective date of this Act, or as soon as possible thereafter. The third member of the Citizens Committee shall be appointed by the aforementioned committeemen within five (5) days from the date said committeemen qualify, or as soon as possible thereafter. The first

Citizens Committee shall serve until April 1, 1956, or until their successors have been appointed and have qualified. A new Citizens Committee shall be appointed on April 1, 1956, or until their successors have been appointed and have qualified. A new Citizens Committee shall be appointed on April 1, 1956, and on April 1st of each year thereafter, or as soon thereafter as possible, and the appointments are to be made in the same manner and way as provided for in this Act for the appointment of the first Citizens Committee. Nothing in this Act is to be construed as prohibiting the reappointment of the same person to serve on successive Citizens Committee or Board of Directors. The Citizens Committee shall serve without pay or compensation.

The Citizens Committee is hereby authorized and empowered to appoint five (5) persons qualified under the law to serve as Directors of the District until their successors shall have been duly appointed and qualified. Vacancies on the Board of Directors shall be filled by the Citizens Committee for the unexpired term. The Board of Directors of the District is authorized to combine the office of the Secretary-Treasurer of the District and may appoint a Secretary-Treasurer who may or may not be a member of the Board. Two (2) of the directors first appointed shall serve until the first day of May, 1956, and three (3) of such directors shall serve until May 1, 1957. The Citizens Committee shall appoint successors to said first two (2) directors on May 1, 1956, for a term of two (2) years and shall appoint successors to the said first three (3) directors on May 1, 1957, who shall serve for a term of two (2) years. Such directors shall continue to be appointed in like manner thereafter for terms of two (2) years. The Board of Directors shall select from its members a President and a Vice President of the District, and such other officers as in the judgment of the Board are necessary. All directors shall qualify and file their bonds and take the oath of office in the manner provided by the general laws governing water control and improvement districts. The Treasurer shall give bond in such amount as the Board may require and conditioned that he will faithfully account for all money which shall come into his custody as Treasurer of the District. The Board may appoint all necessary engineers, attorneys and other employees and provide for their compensation. The Board shall adopt a seal for the District. A majority of the Board shall constitute a quorum for the transaction of business. The President shall be the Chief Executive Officer of the District and the presiding officer of the Board and shall have the same right to vote as any other director. The Vice President shall perform all duties and exercise all powers conferred on the President when the President is absent or fails or refuses to act. Each director shall receive a fee of Five Dollars (\$5) for attending each meeting of the Board and shall be entitled to reimbursement for actual expenses incurred in attending to business of the District, providing such services and expenses are expressly authorized and approved by the Board and shown in the minutes and the records of the Board.

Sec. 4. It is hereby found and determined that all of the lands included within the boundaries of the District will be benefited and that the District is created to serve a public use and benefit. Within thirty (30) days after the effective date of this Act, the Commissioners Court of Reagan County shall, without the necessity of having a petition presented, order an election to be held within said District for the purpose of confirming the organization of the District, provided that said election shall not be sooner than sixty (60) days nor later than ninety (90) days after same is ordered. The proposition to be voted upon shall be clearly stated on the ballot. Only qualified electors who reside in and who own taxable property in such District and who have duly rendered the same for taxation to the county in which it is situated, shall be qualified to vote in said election. Notice of said election shall be published at least twice in a

newspaper of general circulation in the District, at least thirty (30) days, and at least ten (10) days respectively, prior to the date of the election. Returns of said election shall be made to the Commissioners Court and the Commissioners Court shall canvass such returns and declare the result of said election. No hearings shall be held to determine whether any lands included within the boundaries of the District should be excluded.

Sec. 5. (a) The District is hereby granted, has, and may exercise all powers necessary or appropriate to carry out, achieve, or effectuate the purposes of this Act, including, without limitation, the powers stated in this Section.

(b) The District may sue and be sued, and plead and be impleaded, in its own name.

(c) The District may adopt an official seal and alter the seal when deemed advisable and may adopt and enforce bylaws, rules, and regulations, for the conduct of its affairs, not inconsistent with the provisions of this Act.

(d) The District may acquire, hold, use, and dispose of its revenues, income, receipts, funds, and money from every source, and may select its depository or depositories.

(e) The District may acquire, own, rent, lease, accept, hold, or dispose of any property, or any interest in property, in performing its duties and exercising its powers under this Act, by purchase, exchange, gift, assignment, condemnation, sale, lease, or otherwise, including rights or easements, and may hold, manage, operate, or improve property.

(f) The District may sell, assign, lease, encumber, mortgage, or otherwise dispose of any property, or any interest in property, and release or relinquish any right, title, claim, lien, interest, easement, or demand, however acquired, and may do any of the foregoing by public or private sale, with or without public bidding, notwithstanding the provisions of any other law, and may lease or rent any land, buildings, structures, or facilities from or to any person, firm, corporation, city, or other public agency or political subdivision to effectuate the purposes of this Act.

(g) The District may request and accept any appropriations, grants, allocations, subsidies, guaranties, aid, contributions, services, labor, materials, gifts, or donations from the federal government, the state, any city, public agency, political subdivision, or any other sources.

(h) The District may operate and maintain an office and may appoint and determine the duties, tenure, qualifications, and compensation of its officers, employees, agents, professional advisors, and counselors, including, without limitation, financial consultants, accountants, attorneys, architects, engineers, appraisers, and financing experts, as are deemed necessary or advisable by the Board.

(i) The District may issue its bonds, provide for and secure the payment of its bonds, and provide for the rights of the holders of its bonds, in the manner and to the extent permitted by this Act.

(j) The District may fix and revise from time to time and charge and collect rates, fees, and charges for its facilities and services.

(k) The District may levy and collect a tax not to exceed 25 cents on the \$100 valuation of taxable property for maintenance purposes, including funds for planning, maintaining, repairing, and operating all necessary plant lines, works facilities, improvements, appliances, and equipment of the District, and for paying costs of proper services, engineering, fiscal, and legal fees, and organization and administration expenses. A maintenance tax may not be levied by the District until it is approved by a majority of the qualified electors voting at an election held for that purpose, which shall be conducted in the same manner as a district bond election. A maintenance tax election may be held at the same time and in conjunction with an election to authorize bonds.

(l) The District may exercise all powers granted by Chapter 30 of the Water Code to water districts created under Section 59, Article 16, of the Texas Constitution.

Sec. 6. (a) Territory may be annexed to the District in the manner provided in this Section.

(b) A petition praying for annexation signed by fifty (50) or a majority, whichever number is smaller, of the resident, qualified voters of the territory or of duly incorporated cities or towns sought to be annexed, shall be filed with the Board. The petition shall describe the territory to be annexed by metes and bounds, or otherwise, unless the territory is the same as that contained within the boundaries of the city or town, in which event it shall be sufficient to state that the territory to be annexed is that which is contained within the boundaries of the city or town.

(c) If the Board finds that the petition complies with and is signed by the number of qualified persons required by Subsection (b) of this Section, that the annexation would be to the best interest of the territory, the city or town, and the District, and that the District will be able to supply water, or have water supplied to the territory, city, or town, it shall adopt a resolution stating the conditions, if any, under which the territory, city, or town may be annexed to the District, and shall fix a time and place when and where a hearing shall be held by the Board on the question of whether the territory, city, or town sought to be annexed will be benefited by the improvements, works, and facilities then owned or operated or contemplated to be owned or operated by the District or by the other functions of the District. Notice of the adoption of this resolution stating the time and place of the hearing shall be published one time in a newspaper of general circulation in the territory, city, or town sought to be annexed at least ten (10) days prior to the date of the hearing. The notice shall describe the territory in the same manner in which it is required or permitted by this Act to be described in the petition. All persons interested may appear at the hearing and offer evidence for or against the proposed annexation. The hearing may proceed in the order and under the rules prescribed by the Board, and the hearing may be recessed from time to time. If, at the conclusion of the hearing, the Board finds that the property in the territory, city, or town will be benefited by the present or contemplated improvements, works, or facilities of the District, the Board shall adopt a resolution making a finding of that benefit and calling an election in the territory, city, or town proposed to be annexed, stating the date of the election, the place or places of holding the election, and the proposition to be voted on, and appointing a presiding judge for each voting place who shall appoint the necessary assistant judges and clerks to assist in holding the election.

(d) Notice of the election shall be given by publishing a substantial copy of the resolution calling the election one time in a newspaper of general circulation in the territory, city, or town sought to be annexed to the District at least ten (10) days before the date set for the election. Only resident, qualified electors who reside in the territory, city, or town sought to be annexed shall be qualified to vote in the election. Returns of the result of the election shall be made to the Board. The Board shall canvass the returns of the election and adopt an order declaring the results of the election. If the order shows that a majority of the votes cast are in favor of annexation, the Board shall, by resolution, annex the territory, city, or town to the District, and the annexation shall be incontestable after that time except in the manner and within the time for contesting elections under the Texas Election Code.

(e) The Board, in calling an election on the proposition for annexation of any territory, city, or town, may include as a part of the same proposition, or as a separate proposition, the voting of maintenance tax, or assumption of its part

of the tax-supported bonds of the District then outstanding and those previously voted but not yet sold, and the levy of an ad valorem tax on taxable property in the territory along with the tax in the rest of the District for the payment thereof in which event the voting shall be restricted to resident, qualified voters.

(f) An election need not be called by the Board if the petition praying for the annexation is signed by all residents and all landowners of the territory, city, or town to be annexed, the same as provided by law for conveyance of real property. The petition must state the petitioners' approval of the levy of a maintenance tax by the District, if any, and of the assumption of their share of the outstanding bonds or other obligations and the voted but unissued bonds of the District and authorize the Board to levy a tax on their property in each year while any of the bonds or obligations payable, in whole or in part, from the taxation are outstanding, and agree to pay their share of the indebtedness. The petition shall be filed in the office of the county clerk of the county in which the District is located.

Sec. 7. The District may obtain through appropriate proceedings appropriation permits and diversion permits from the Texas Water Commission, and may acquire water appropriation permits from owner of permits through contracts or otherwise. The District may lease, purchase, or otherwise acquire rights in and to storage and storage capacity in any reservoir constructed or to be constructed by any person, firm, corporation, public agency, political subdivision, the state, or the United States or any of its agencies.

Sec. 8. (a) The District may enter into and enforce contracts and agreements for the purchase or sale of water, and for any other purpose relating to its powers, with any person, firm, corporation, public agency, political subdivision, the state, or the United States or any of its agencies. The District may acquire or construct within or without the boundaries of the District a reservoir or reservoirs, wells, and all works, plants, transmission lines, and other facilities necessary or useful for the purpose of diverting, impounding, drilling, storing, treating, and transporting water to the cities and others for municipal, domestic, agricultural, industrial, mining, oil flooding, or any other useful purposes. The District may sell water within and without the boundaries of the District and may develop or otherwise acquire underground sources of water.

(b) All public agencies and political subdivisions of the State of Texas may enter into contracts and agreements with the District for a water supply, or for any purpose relating to the District's powers or functions, on any terms and conditions to which the parties may agree. Also, each entity may lease, sell, or otherwise convey any of its land or any interest in its land to the District for the consideration agreed on between the parties to be adequate. No approval, notice, or consent, nor any election, shall be required in connection with a contract, agreement, or conveyance.

(c) The rights, powers, privileges, authority, and functions granted in this Act to the District shall be subject to the continuing right of supervision of the state, to be exercised by and through the Texas Water Rights Commission, subject to the provisions of this Act, and Section 6.074 and Chapter 50, Water Code.

Sec. 9. The District may acquire land, or any interest in land, within or without the boundaries of the District for all works, wells, plants, and other facilities necessary or useful for the purpose of drilling, diverting, impounding, storing, treating, and transporting water to the cities and others for municipal, domestic, agricultural, industrial, mining, oil flooding, and all other useful purposes. Subject to the terms of any resolution or deed of trust authorizing or securing bonds issued by the District, the District may sell, lease, rent, trade, or otherwise dispose of any property deemed by the Board not needed for District purposes.

Sec. 10. (a) For the purpose of carrying out any power or authority conferred by this Act, the District is entitled to acquire the fee simple title to land, or any other interest in land, and other property and easements, including land or any interest in land needed for reservoir and dam and flood easements above the probable high-water line around any reservoirs, within or without the boundaries of the District, by condemnation in the manner provided by Title 52, Revised Civil Statutes of Texas, 1925, as amended, relating to eminent domain. This District is declared to be a municipal corporation within the meaning of Title 52. The amount of and character of interest in land, other property, and easements to be acquired by condemnation shall be determined by the Board. The District shall have the same power as conferred by general law on municipal utility districts and water control and improvement districts, with reference to entering land, making surveys, and attending to other business of the District.

(b) The District is given and granted all necessary or useful rights-of-way and easements along, over, under, and across all public, state, city, and county roads, highways, and places for any of its purposes, but the District shall restore any facilities used to their previous condition as nearly as possible at the sole expense of the District.

(c) In the event the District, in the exercise of its power of eminent domain or police power or any other power, requires the relocation, raising, lowering, rerouting, or change in grade or alteration in the construction of any railroad, electric transmission, telegraph, or telephone lines, conduits, poles, properties, or facilities or pipelines, all such relocation, raising, lowering, rerouting, or changes in grade or alteration of construction shall be accomplished at the sole expense of the District. The term "sole expense" shall mean the actual cost of such raising, lowering, rerouting, or change in grade or alteration of construction in providing comparable replacement without enhancement of those facilities, after deducting therefrom the net salvage value derived from the old facility.

Sec. 11. Any construction contract requiring an expenditure of more than Five Thousand Dollars (\$5,000), shall be made only after publication of a notice to bidders once each week for two (2) consecutive weeks in a newspaper of general circulation in the District, before awarding the contract. The notice shall be sufficient if it states the time and place when and where the bids will be opened, the general nature of the work to be done, or the material, equipment, or supplies to be purchased, and states where the terms and conditions of bidding and copies of the plans and specifications may be obtained.

Sec. 12. (a) For the purpose of carrying out any power or authority conferred by this Act, the District may issue its negotiable bonds to be payable from and secured by revenues or ad valorem taxes, or both revenues and ad valorem taxes, of the District, in the manner and under the terms and conditions provided in the resolution authorizing the issuance of the bonds.

(b) The bonds shall be authorized by resolution of the Board and shall be issued in the name of the District, signed by the President or Vice President and attested by the Secretary and shall bear the seal of the District. However, the signatures of the President or the Vice President, or the Secretary or of both may be printed or lithographed on the bonds if authorized by the Board and the seal of the District may be impressed on the bonds or may be printed or lithographed on the bonds. The bonds shall mature serially or otherwise in not to exceed fifty (50) years from their date and may be sold at a public or private sale, at a price and under terms determined by the Board to be the most advantageous reasonably obtainable, provided the interest cost to the District, including the discount, if any, does not exceed ten (10) percent per annum. Within the discretion of the Board, the bonds may be made callable prior to maturity at times and prices prescribed in the bonds, and may be made registrable as to principal or as to both principal and interest.

(c) The bonds may be secured by a pledge of all or any part of the revenues of the District, or by all or any part of the revenues of any one or more contracts of the District or other revenues or income specified by resolution of the Board or in any trust indenture securing the bonds. A pledge may reserve the right, under conditions therein specified, to issue additional bonds that will be on a parity with or subordinate to the bonds then being issued.

(d) The District may issue bonds payable from ad valorem taxes to be levied on all taxable property in the District, or may issue bonds secured by and payable from both taxes and revenues of the District described in Subsection (c) of this Section. If bonds are issued payable wholly or partially from ad valorem taxes, the Board shall levy a tax sufficient to pay the principal of and the interest on the bonds when due, but the rate of the tax for any year may be fixed after giving consideration to the money received from the pledged revenues which may be available for payment of principal and interest, to the extent and in the manner permitted by the resolution authorizing the issuance of the bonds.

(e) If bonds payable wholly from revenues are issued, the Board shall fix, and from time to time revise, the rates of compensation for water sold and services rendered by the District which will be sufficient to pay the expense of operating and maintaining the facilities of the District and to pay the principal of and interest on the bonds when due, and to maintain the reserve and other funds as provided in the resolution authorizing the bonds. If bonds payable partially from revenues are issued, the Board shall fix, and from time to time revise, the rate of compensation for water sold, and any other services rendered by the District, which will be sufficient to assure compliance with the resolution authorizing the bonds or the trust indenture securing the bonds.

(f) From the proceeds from the sale of the bonds, the District may set aside an amount for the payment of interest expected to accrue during construction not to exceed three (3) years, a reserve interest and sinking fund, and any other funds provided in the resolution authorizing the bonds or in the trust indenture. Proceeds from the sale of the bonds may also be used for the payment of all expenses necessarily incurred in accomplishing the purpose for which this District is created, including expenses of issuing and selling the bonds and the amount needed to operate the District during construction of the improvements.

(g) In the event of a default or a threatened default in the payment of principal of or interest on bonds payable wholly or partially from revenues, any court of competent jurisdiction, on petition of the holders of outstanding bonds, may appoint a receiver with authority to collect and receive all income of the District, except taxes, employ and discharge agents and employees of the District, take charge of funds on hand, except funds received from taxes, unless commingled, and manage the proprietary affairs of the District without consent or hindrance by the Board. The receiver may also be authorized to sell or make contracts for the sale of water or renew such contracts with the approval of the court appointing him. The court may vest the receiver with other powers and duties the court may find necessary for the protection of the holders of the bonds. The resolution authorizing the issuance of the bonds, or the trust indenture securing them, may limit or qualify the rights of the holders of less than all of the outstanding bonds payable from the same source to institute or prosecute litigation affecting the District's property or income.

Sec. 13. The District may issue refunding bonds for the purpose of refunding any outstanding bonds authorized by this Act and interest on the bonds. The refunding bonds may be issued to refund more than one series of outstanding bonds and combine the pledges for the outstanding bonds for the security of the refunding bonds and may be secured by other or additional revenues and mortgage liens. The provisions of this Act with reference to the

issuance by the District of other bonds, their security, and their approval by the attorney general and the remedies of the holders shall be applicable to refunding bonds. Refunding bonds shall be registered by the comptroller on surrender and cancellation of the bonds to be refunded, but in lieu thereof, the resolution authorizing their issuance may provide that they shall be sold and the proceeds deposited in the bank where the original bonds are payable, in which case the refunding bonds may be issued in an amount sufficient to pay all principal coming due, all interest accruing, and any required redemption premium, on the bonds being refunded to or through any date on which they are subject to redemption prior to maturity, or through or at their maturity date or dates, respectively, and the comptroller shall register them without concurrent surrender and cancellation of the original bonds. The refunding bonds may be issued without having been authorized at an election. Refunding bonds also may be issued by the District pursuant to any other applicable law.

Sec. 14. Any bonds, including refunding bonds, authorized by this Act, not payable wholly from ad valorem taxes, may be additionally secured by a trust indenture under which the trustee may be a bank having trust powers situated either within or without the state. The bonds, within the discretion of the Board, may be additionally secured by a deed of trust or mortgage lien on physical properties of the District, and all franchises, easements, water rights and appropriation permits, leases, and contracts, and all rights appurtenant to those properties, vesting in the trustee power to sell the properties for the payment of indebtedness, power to operate the properties, and all other powers and authority for the further security of the bonds. The trust indenture, regardless of the existence of the deed of trust or mortgage lien on the properties, may contain any provision prescribed by the Board for the security of the bonds and the preservation of the trust estate and may make provision for amendment or modification thereof and the issuance of bonds to replace lost or mutilated bonds and may condition the right to expend District money or sell District property on approval of a registered professional engineer selected as provided therein, and may make provision for the investment of funds of the District. Any purchaser under a sale under the deed of trust lien where one is given, shall be the absolute owner of properties, facilities, and rights purchased and shall have the right to maintain and operate them.

Sec. 15. (a) No bonds payable wholly or partially from ad valorem taxes, except refunding bonds, shall be issued unless authorized at an election at which only the qualified electors who reside in the District are allowed to vote and unless a majority of the votes cast is in favor of the issuance of the bonds. No territory may be detached from the District after the issuance of bonds which are payable from revenues or taxes or both. Bonds not payable wholly or partially from ad valorem taxes may be issued without an election.

(b) Elections may be called by the Board without a petition. The resolution calling an election shall specify the time and place or places of holding the election, the purpose for which the bonds are to be issued, the amount of the bonds, the form of the ballot, and other matters deemed necessary or advisable by the Board. Notice of the election shall be given by publishing a substantial copy of the resolution calling the election in a newspaper with general circulation in the District, once each week for two (2) consecutive weeks, with the first publication to be at least fourteen (14) days prior to the election.

(c) The returns of the election shall be made to and canvassed by the Board.

(d) The Texas Election Code and general laws relating to elections shall be applicable to elections held under this Section, except as otherwise provided in this Act.

(e) Before the District shall issue any bonds for improvements, it shall secure prior approval from the Texas Water Commission as provided by Section 51.421, Water Code.

Sec. 16. After any bonds, including refunding bonds, are authorized by the District, the bonds and the proceedings relating to their issuance shall be submitted to the attorney general for his examination as to their validity. If the bonds recite that they are secured by a pledge of the revenues or proceeds of a contract previously made between the District and any city, other public agency, political subdivision, or other entity, a copy of the contract and the proceedings of the city, other public agency, political subdivision, or other entity, authorizing the contract also shall be submitted to the attorney general. If he finds that the bonds have been authorized and the contracts have been made in accordance with the Constitution and laws of this state, he shall approve the bonds and the contracts, and the bonds then shall be registered by the comptroller of public accounts. Thereafter, the bonds and the contracts, if any, shall be valid and binding obligations in accordance with their terms for all purposes and shall be incontestable in any court or other forum for any reason.

Sec. 17. The District may enter into contracts with cities and others, including specifically the City of Big Lake, for supplying water to them. The District also may contract with any city, public agency, or political subdivision for the rental or leasing of or for the operation of the water production, water supply, water filtration or purification, or water supply facilities of that entity on consideration to which the District and the entity may agree. A contract may be on terms and for the time on which the parties may agree and may provide that it shall continue in effect until bonds specified in the contract and refunding bonds issued in lieu of those bonds are paid. Furthermore, the District may contract with the city for the operation of the District's water facilities by the city. No election shall be required in connection with the contract.

Sec. 18. The Board shall designate one or more banks within or without the District to serve as depository for the funds of the District. All funds of the District shall be deposited in the depository bank or banks, except that bond proceeds and funds pledged to pay bonds may, to the extent provided in any resolution or trust indenture authorizing or securing bonds of the District, be deposited with any other bank or trustee named in the bond resolution or trust indenture, and except that funds shall be remitted to each paying agent for the payment of principal of and interest on the bonds. To the extent that funds in the depository banks and the trustee bank are not insured by the Federal Deposit Insurance Corporation, they shall be secured in the manner provided by law for the security of city funds. The Board may invest District funds in obligations and make time deposits of District funds, in the manner determined by the Board or in the manner permitted or required in any resolution or trust indenture authorizing or securing bonds of the District.

Sec. 19. All bonds of the District shall be and are declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas. The bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas, and the bonds shall be lawful and sufficient security for those deposits to the extent of their value, when accompanied by all unmatured coupons appurtenant thereto.

Sec. 20. The accomplishment of the purposes stated in this Act is for the benefit of the people of this state and for the improvement of their properties

and industries, and the District, in carrying out the purposes of this Act, will be performing an essential public function under the Constitution. The District shall not be required to pay any tax or assessment on its facilities or any part thereof, and the bonds issued thereunder and their transfer and the income therefrom, including the profits made on the sale thereof, shall at all times be free from taxation within this state.

Sec. 21. (a) The tax rolls of Reagan County are adopted and shall constitute the tax rolls of the District until assessment and tax rolls are made by the District.

(b) If the District issues and delivers bonds that are payable wholly or partially from ad valorem taxes, the Board annually shall have the taxable property in the District rendered and assessed for ad valorem taxation, the value of such taxable property equalized, and the ad valorem taxes in the District collected, in accordance with any of the methods set forth in this Section. Any method adopted shall remain in effect until changed by the Board.

(c) The laws of this state relating to ad valorem taxation applicable to general law cities and towns may be adopted and shall be used to the extent pertinent and practicable. The laws of this state relating to ad valorem taxation applicable to counties may be adopted and shall be used to the extent pertinent and practicable, provided the Board may act as its own board of equalization or may appoint three (3) resident, qualified electors of the District who own taxable property in the District to act as the board of equalization of the District, and in either case, the board of equalization shall qualify and perform the duties prescribed by law for county commissioners courts acting as boards of equalization.

(d) The Board may have the taxable property in the District assessed, its values equalized, and its taxes collected, in whole or in part, by the tax assessors, board of equalization, and tax collectors, respectively, of any county, city, taxing district, or other governmental subdivision in which all or any part of the District is located. The property may be assessed and the values of the property equalized on the same basis or a different basis than that used by the governmental subdivision. The property shall be assessed, the values of the property equalized, and the taxes collected, in the manner and for the compensation agreed on between the appropriate parties, and the functions thus assumed by the officials of any governmental subdivision shall be additional duties pertaining to their offices, respectively. The ad valorem tax law applicable to each governmental subdivision shall apply to its officials in carrying out those functions for the District.

(e) It is specifically provided that under any method used, all taxable property within the District shall be assessed on the same basis and the values of the taxable property shall be equalized by only one board of equalization, in an equal and uniform manner, as required by the Constitution. If the Board desires that taxable property be assessed and taxes collected by the tax assessors and collectors of more than one governmental subdivision, the Board shall either act as its own board of equalization or appoint three (3) resident, qualified electors of the District who own taxable property in the District to act as the board of equalization, and in either case the board of equalization shall qualify and perform the duties prescribed by law for county commissioners courts acting as boards of equalization.

(f) Any other method or procedure authorized or permitted by any other statute of the state may be adopted, in whole or in part, to the extent pertinent and practicable.

Sec. 22. (a) This Act shall be wholly sufficient authority within itself for the issuance of the bonds, the execution of contracts, and conveyances, and the

performance of the other acts and procedures authorized by the District, and other public agencies and political subdivisions, without reference to any other law or any restrictions or limitations contained in any other law, except as specifically provided in this Act, and if any bonds are being issued or other action taken under this Act, then to the extent of any conflict or inconsistency between any provisions of this Act and any provisions of any other law, the provisions of this Act shall prevail and control; provided, however, that the District, and all other public agencies and political subdivisions, shall have the right to use the provisions of any other laws, not in conflict with the provisions of this Act, to the extent convenient or necessary to carry out any power or authority, express or implied, granted by this Act.

(b) No director shall be liable personally for any bonds issued or contracts executed by the District.

[Sec. 5. The District is hereby authorized and empowered to issue bonds in an amount not exceeding Eight Hundred and Fifty Thousand Dollars (\$850,000), and such bonds, if issued, shall be authorized and issued for the purposes and in the manner provided by the general laws governing the issuance of bonds by water control and improvement districts. The bonds of the District may be refunded in the manner provided by the general laws governing water control and improvement districts.

[Sec. 6. All taxes hereafter levied by the District shall be on the ad valorem basis and no hearing shall be required on a plan of taxation. The District shall use for tax purposes the same valuations for the property within the District as that carried on the county tax rolls for such purpose.

[Sec. 6a. All bonds issued by this District shall be secured by both ad valorem taxes and revenues as provided for by the general laws of this State now in force or hereafter enacted applicable to water control and improvement districts created under authority of Section 59, Article 16, of the Constitution of Texas, and said bonds and refunding bonds shall be approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts of Texas in the manner prescribed by said general laws.

[Sec. 7. The bonds of the District shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas. Such bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas; and such bonds shall be lawful and sufficient security for said deposits to the extent of their value, when accompanied by all unmatured coupons appurtenant thereto.

[Sec. 8. The accomplishment of the purposes stated in this Act being for the benefit of the people of this State and for the improvement of their properties and industries, the District in carrying out the purposes of this Act will be performing an essential public function under the Constitution and shall not be required to pay any tax or assessment on the project or any part thereof, and the bonds issued hereunder and their transfer and the income therefrom, including the profits made on the sale thereof shall at all times be free from taxation within this State.

[Sec. 9. In the event it becomes necessary in the exercise of the powers conferred by this Act that any railroad line or right of way should be relocated, the cost of such relocation and any actual and reasonable damage incurred in changing and adjusting the lines and grades of such railroad shall be paid by the District.

~~[Sec. 10. The Legislature hereby exercises the authority conferred upon it by Section 59, Article 16, of the Constitution, and declares that the District created by this Act is essential to the accomplishment of the purposes of said Constitutional provisions, finds that all of the land included therein will be benefited thereby, and declares the District to be a governmental agency, a body politic and corporate, and a municipal corporation.~~

~~[Sec. 11. If any provisions of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.~~

~~[Sec. 12. The fact that the creation of said District will result in material benefits to the State of Texas and to the territory included in such District and will promote effectively the conservation of water of the State of Texas, creates an emergency and an imperative public necessity requiring that the Constitutional Rule that bills be read on three several days in each House be suspended, and such Rule is hereby suspended, and that this Act take effect from and after its passage, and it is so enacted.]~~

SECTION 2. Proof of publication of the constitutional notice required in the enactment hereof under the provisions of Article XVI, Section 59(d), of the Texas Constitution, has been made in the manner provided therein and a copy of said notice and the bill as originally introduced have been delivered to the governor of the State of Texas and to the commissioners court of the county in which said district is located and to the governing body of each incorporated city or town in whose jurisdiction said district or any part thereof is or will be located as required in such constitutional provision, and such notice and delivery are hereby found and declared to be proper and sufficient to satisfy such requirements.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read and was adopted. (30-0)

S.C.R. 75 (Kothmann) Granting Sam D. Millsap permission to sue the State or the Commission for the Blind. (vv) Snelson "Nay"

H.B. 211 (Price) Relating to the Dallam-Hartley Counties Hospital District. (30-0)

H.B. 348 (McKnight) Relating to hunting wild turkey in Van Zandt County. (30-0)

H.B. 426 (Farabee) Relating to methods for persons over 65 years of age to claim an exemption from jury service. (30-0)

C.S.H.B. 563 (Schwartz) Relating to the use of certain land acquired by the Parks and Wildlife Department in Calhoun County. (30-0)

H.B. 583 (Traeger) Relating to predator control from aircraft in Zapata County. (30-0)

H.B. 710 (Longoria) Relating to the licensing of labor agents. (30-0)